Disclosure of account details by Swiss banks

473. SHRI AMAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Swiss banks have recently set aside its strict banking secrecy rules and released to the Government of France a list of 3000 French taxpayers with bank accounts in Switzerland;

(b) if so, the details thereof;

(c) whether it is also a fact that Switzerland has also agreed to give the United States of America (USA) the names of 4450 American tax payers;

(d) whether Government has ever made any effort for similar access to information about their citizens having bank account with Swiss banks; and

(e) if so, the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Government is aware of a press release dated 19 August, 2009 issued by the Federal Department of Justice and Police, Switzerland indicating that Switzerland had undertaken to process within a year, a treaty request in the UBS case which would be submitted by the United States of America, concerning approximately 4450 accounts. No such official press release with respect to French taxpayers could be found. However, media reports of August 2009 have reported a statement of Budget Minister of France that France had obtained the names of 3000 Swiss bank account holders. However, another media report of September 2009 has reported statement of an official from Swiss Federal Department of Finance that they did not have any request from France about this matter. In this media report, Budget Minister of France is also reported to have stated that confidential data on some 3,000 bank accounts held in tax havens by French individuals did not necessarily come from Switzerland.

(d) and (e) Efforts have been made from time to time to seek such access under the Double Taxation Avoidance Agreement (DTAA) between India and Swiss Confederation. However, the Swiss Federal Tax Administration has expressed its inability to exchange the information regarding bank deposits of Indian residents as the information was not necessary for the application of the DTAA between India and Swiss Confederation but was required only for the enforcement of Indian internal laws. They also replied that such information was not at their disposal under Swiss laws in the normal course of tax administration.

Further, in connection with the investigation of specific cases, Directorate of Enforcement, if deemed necessary seeks information from foreign jurisdiction in respect of accounts held by Indian Nationals/entities in banks located overseas. However, no roving enquiries are made.